PROF. P.J. KURIEN: That is wrong. He is misleading.

MR. SPEAKER: How can he mislead like that?

SHRI P. CHIDAMBARAM: Sir, if I am misleading, there is a method. ...*(Interruptions)* The Member can give a notice against me, if I am misleading. ...*(Interruptions)* How many times can an hon. Member be allowed to say that I am misleading?

PROF. P.J. KURIEN: Let it be on record. Sir, please allow me.

MR. SPEAKER: No, I cannot allow you any more.

SHRI P. CHIDAMBARAM: An hon. Member of Parliament—I have also been a Member of Parliament—will bring to the notice of the Minister his representation, press the point and leave it for a decision. A number of Members do it. If a decision is unacceptable, that is a different matter. He can vote against the provision. But to charge a Minister repeatedly that he is misleading is unfair.

PROF. P.J. KURIEN: From 81 per cent in 1993-94, it was brought down to 30 per cent.

SHRI P. CHIDAMBARAM: This kind of insistent representation on one issue repeatedly, how is it fair? He is doing his duty, I am doing my duty.

Can we ever quarrel like this in this House? We make a spectacle of ourselves before the people of India. Sir, do you wish me to answer it or not?

MR. SPEAKER: If you wish you can answer. I will leave it to you.

SHRI P. CHIDAMBARAM: I have called the Members of Parliament from Kerala to my Chamber. I have explained to them. This file was made available to them. This morning also I invited them to look at the file. There are two Commissioners who have given their reports, and there are two Commissioners who have not yet given their reports. The conclusion, on the basis of partial information from the two Commissioners, is that Latex foam sells at Rs. 27 a kg., and carries an Excise Duty of 25 per cent. PU foams sells at Rs. 150 a kg., and carries an Excise Duty of 25 per cent. ...*(Interruptions)*

SHRI RAMESH CHENNITHALA: You do not draw conclusion from that.

SHRI P. CHIDAMBARAM: That is why I said I do not want to draw a conclusion. You are forcing me to draw a conclusion by charging me with all kinds of things.

MR. SPEAKER: We cannot prolong like this on one issue alone. I think the Minister has agreed to call a meeting of Members of Parliament. I think that is good enough.

SHRI P. CHIDAMBARAM: Latex foam mattress of four inch with thickness of 10 cms. sells at Rs. 40 a square foot at 25 per cent Excise Duty, whereas corresponding PU foam mattress good quality sells at Rs. 89.73 a square foot at 25 per cent Excise Duty, and poor quality sells at Rs. 79.84 a square foot at 25 per cent Excise Duty. They are two different market segments. They do not compete with each other. Yet I told the Members of Parliament that let me get the report from the other two Commissioners and let me look at that data. Let me call for cost audit. I can even order a special cost audit of the manufacturers and then I will take a decision.

SHRI P.C. THOMAS: At the same time something should be done on this...*(Interruptions)*

MR. SPEAKER: You can conclude now.

SHRI P. CHIDAMBARAM: I request the hon. Members to pass this Finance Bill.

MR. SPEAKER: The House stands adjourned for lunch to re-assemble at 2.00 p.m.

13.06 hrs.

The Lok Sabha then adjourned for Lunch till Fourteen of the Clock.

[English]

14.07 hrs.

The Lok Sabha re-assembled after Lunch at seven minutes past Fourteen of the Clock

(MR. SPEAKER *in the Chair*)

MR. SPEAKER: Shri Chaturanan Mishra, how long will you take to make the Statement?

THE MINISTER OF AGRICULTURE, (EXCLUDING THE DEPARTMENT OF ANIMAL HUSBANDRY AND DAIRYING) AND MINISTER OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION AND MINISTER OF FOOD (SHRI CHATURANAN MISHRA): Sir, I will take only five minutes.

MR. SPEAKER: All right, you please make your Statement.

14.08 hrs.

STATEMENT BY MINISTER

Introduction of the Pilot Crop Insurance Scheme

THE MINISTER OF AGRICULTURE, (EXCLUDING THE DEPARTMENT OF ANIMAL HUSBANDRY AND DAIRYING) AND MINISTER OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION AND MINISTER OF FOOD (SHRI CHATURANAN MISHRA): Sir, I am thankful to you for giving me the time to make the Statement.

Hon. Members are aware that the Central Government has been implementing a Comprehensive Crop Insurance Scheme (CCIS), since the year 1985. The stated objectives of the scheme are to insulate the farming community

[Shri Chaturanan Mishra]

against losses incurred due to the occurrence of natural calamities. By providing a measure of protection against such unforeseen risks the measure intended to encourage the production of commodities such as foodgrains, pulses and oilseeds.

As the scheme inrtoduced in 1985 was limited to farmers obtaining crop production loans from the Banks there has been demand that a crop insurance cover should also be available to the non-loanee farmers. Other improvements have also been sought under the scheme such as lowering the area notified under the scheme from Tehsils to smaller geographic units so that damaged crops as a result of natural calamities occurring in smaller geographic area do get reflected in the yields thereby making the question of compensation being made realistic.

The Government have been considering the question of modification and revision of the scheme for some years but these did not materialise. The hon. Members would recall that I had written a detailed letter to all the Members of Parliament as well as to State Governments for the need for modification of the Crop Insurance Scheme in order that this provides for meaningful risk cover to the farmers.

I am glad to inform this august House, that responding to the aspirations of the farming community, it has been decided by this Government to Introduce a Pilot Crop Insurance Scheme in 25 selected districts of nine States as indicated at Annexure-I covering all the small and marginal non-loanee farmers at par with farmers obtaining loans for raising cereals, oilseeds and pulses. At the Initial stage, it is proposed under the scheme that the insurance charges will be met by the Central and State Governments fully in view of the poor resource base of the small and marginal farmers. It is also proposed to permit the State Governments to notify smaller geographic areas such as Gram Panchayats as a unit area under the scheme. A note indicating the salient features of the pilot scheme is appended.

I appeal to all the hon. Members to help the Government in the implementation of this pilot scheme successfully to enable its replication on a large scale subsequently.

I need not read out the Annexure.

NOTE APPENDED TO THE STATEMENT OF AGRICULTURE MINISTER ON PILOT CROP INSURANCE SCHEME

Features of the Pilot Crop Insurance Scheme

(a) The Scheme will apply to all loanee farmers and non-loanee small and marginal farmers in the identified districts of the States of Andhra Pradesh, Bihar, Madhya Pradesh, Orissa, Tamil Nadu, Maharashtra, Assam, Karnataka and Rajasthan. The identification of States/ districts is made keeping in view the implementation of present CCIS in these States; the frequent occurrence of natural calamities and backwardness of the districts.

(b) All crops covered under the CCIS at present would be covered under the revised scheme.

(c) The sum insured would be 100 per cent of crops loan subject to maximum of Rs. 10,000/- per farmer. Insured amount in respect of non-loanee farmers will be at the same level as applicable to loanee farmers in respect of different crops in the same block/tehsil/district.

(d) The insurance charges would be as it is now for all loanee farmers including small and marginal farmers, that is 2% of the insured sum for cereals, and 1% of the oilseeds and pulses.

(e) The entire insurance charges in respect of small and marginal farmers would be subsidised by the Central/ State Governments.

(f) The revised scheme would be implemented by the Commercial Banks/Regional Rural Banks and Cooperative Banks and appropriate service charges would be paid to these implementing institutions.

(g) The liability on account of the settlement of indemnity claims as well as the burden on account of meeting the liability on premium of the small and marginal farmers under the proposed new scheme will be shared between the Central and State Governments in the ratio of 9:1.

(h) The scheme would be implemented by the General Insurance Corporation of India (GIC).

(i) The scheme will be operated with the gram panchayat as the unit area, if so desired by the State Governments and wherever operation of lower area is possible.

Annexure

List of States/Districts identified for the implementation of the proposed pilot scheme

S.No.	Name of State	Name of districts
1	2	3
1.	Andhra Pradesh	Prakasam
		Mahahub Nagar
2.	Tamil Nadu	Nagapattanam
		Tiruvarur Pannirselvam
3.	Orissa	Bolangir
		Kalahandi
		Naupada
		Kendrapara
		Jajpur

1	2	3
4.	Madhya Pradesh	Bastar
		Sarguja
5.	Bihar	Sitamari
		Darbangha
		Madhubani
		Samastipur
		Khagaria
		Palamau
		Vaishali
6.	Maharashtra	Amaravati
7.	Assam	Nagaon
		N. Lakhimpur
		Dhemaji
		Nalbari
8.	Karnataka	Bijapur
9.	Rajasthan	Jhunjunu
Total No. of Districts 25		

(Interruptions)

SHRI RAJESH PILOT (DAUSA): I can make out Jhunjunu in Rajasthan. Whether you go on to natural calamity affected areas in the last 10 years or something? Have you selected these districts?

SHRI CHATURANAN MISHRA: That I have not selected. Since the Department has made other districts, after the experience, there is no other reward.The State Government officials say that they are not prepared to cover all the people in the country. They are large in number. That is one of the reasons.

MR. SPEAKER: I do not think you have to go on explaining. We are very short of time today. Later on you can bring it. Please carry on.

SHRI CHATURANAN MISHRA: I have completed my statement.

MR. SPEAKER: You have completed. Thank you very much.

(Interruptions)

SHRI RAJESH PILOT: The purpose of the scheme will be defeated. If it is natural calamities, in North-East, they have not sent ...*(Interruptions)*

SHRI CHATURANAN MISHRA: Because it has not been circulated. So I named.

MR. SPEAKER: We can discuss it later on.

[Translation]

SHRI RAM KRIPAL YADAV (PATNA): Mr. Speaker, Sir, This is of urgent nature. Several districts of Bihar have been left out ...*(Interruptions)* Please include these districts which have been left out. ...*(Interruptions)*

[English]

SHRI BASU DEB ACHARIA: West Bengal has been left out.

MR. SPEAKER: It can be discussed.

SHRI BASU DEB ACHARIA: Why has West Bengal been left out?

MR. SPEAKER: Please sit down. I think everybody is very enthusiastic about it. It seems to be a very good thing. Please sit down. I am saying this that subject to availability of time, we may be able to discuss sometimes in the next week. It is because I really do not know how many Government Bills can be discussed. So there is a possibility of some time available in the next week. I will see that we can have a discussion on that. Now we go to the Finance Bill.

FINANCE BILL, 1997-CONT.

14.12 hrs.

[English]

MR. SPEAKER: The question is:

"That the Bill to give effect to the financial proposals of the Central Government for the financial year 1997-98, be taken into consideration."

The motion was adopted.

MR. SPEAKER: The House will now take up clause-by-clause consideration of the Bill.

Clause 2

MR. SPEAKER: The question is:

"That Clause 2 stand part of the Bill."

The motion was adopted.

Clause 2 was added to the Bill.

Clause 3-Amendment of Section 10

Amendments made:

page 3,—

for lines 10 and 11 *substitute*—

'(a) after clause (6B), the following clause shall be inserted, namely:—